

Minutes  
Catawba County Board of Commissioners  
Regular Session, Monday, August 4, 2003, 9:30 a.m.

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The Catawba County Board of Commissioners met in regular session on Monday, August 4, 2003, 9:30 a.m., at the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Glenn E. Barger, Barbara G. Beatty, and Lynn M. Lail.

Absent: N/A

A quorum was present.

Also present were County Manager/Deputy Clerk J. Thomas Lundy, Assistant County Manager Mick W. Berry, County Attorney Robert Oren Eades, Staff Attorney Debra Bechtel, and County Clerk Thelda B. Rhoney.

1. Chair Barnes called the meeting to order at 9:30 a.m.
2. Chair Barnes let in the Pledge of Allegiance to the Flag.
3. Invocation was offered by Commissioner Hunsucker.
4. Commissioner Barger made a motion to approve the minutes from the regular session of Monday, July 7, 2003. The motion carried unanimously.
5. Special Guests and Public Comment.

- a. Special Guests.

Chair Barnes welcomed Chief Keith Bost, Sherills Ford Fire & Rescue and Dwight Sherrill, President of the Sherills Ford Fire & Rescue Board of Directors.

- b. Public Comment. None.

6. Presentation:

- a. Commissioner Barger made a motion to declare Sheriff's Deputy Zane Hudson's service side arm and badge as surplus pursuant to North Carolina General Statutes 20-187.2 and present same to him on the occasion of his retirement. The motion carried unanimously.

Sheriff L. David Huffman, Chair Barnes, and Commissioner Hunsucker presented Deputy Hudson with his service side arm and badge. Sheriff Huffman said Zane is currently the Mayor in Maiden.

Deputy Hudson said it had been an honor serving with Sheriff Huffman and the County Commissioners.

7. Public Hearing:

- a. Public Hearing for CDBG Infrastructure Hookup Grant Application.

Utilities and Engineering Director Barry Edwards said a public hearing for a Community Development Block Grant (CDBG) Infrastructure Hookup Grant in the amount of \$75,000 from the State of North Carolina was scheduled. Staff learned late last week that the State changed the rules and since the County received funding last year it would not be eligible to apply for funding this year. Two public hearings are required for the CDBG grants.

Laurie Huffman, Western Piedmont Council of Governments said the Department of Commerce has made changes in its grant process. She recommended the Board hold a generic public hearing for CDBG grants for future CDBG grant applications and if funds become available the County may apply with only one additional public hearing for any type CDBG grant.

Chair Barnes opened the public hearing for any CDBG grant opportunity by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

No one spoke.

Chair Barnes closed the public hearing.

8. Appointments:

**Newton-Conover Auditorium Authority Board of Directors**

Commissioner Hunsucker recommended the reappointment of Laura Lail Treadaway for a second, 3-year term ending June 30, 2006.

**Community Service Block Grant Advisory Board**

Commissioner Barger recommended the appointment of Social Services Board Member Karyn Yaussy, 1330 SW Boulevard, Newton, for a 3-year term ending June 30, 2006. Mrs. Yaussy replaced Joseph S. Jones.

**Maiden Board of Adjustment**

Commissioner Beatty recommended the reappointment of Mike Morris. Term expires June 30, 2006

**Town Of Maiden Planning Board**

Commissioner Beatty recommended the reappointment of Barbara Brown for a third, 3year term. Term expires June 30, 2006

**Transportation Advisory Board**

Commissioner Beatty recommended the appointment of Jacky Eubanks for an unexpired term replacing Richard Smith, who resigned. The term expires March 14, 2005.

**Public Health Board**

Commissioner Lail recommended the reappointments of Sherry Butler (third term), Dianne Hickmon (second term) and Dr. Gary Jones (second term), for 3-year terms which will expire June 30, 2006.

Commissioner Beatty made a motion to approve the aforementioned appointments. The motion carried unanimously.

9. Consent agenda:

County Manager J. Thomas Lundy presented the following consent agenda items:

a. Disposal of Surplus Property - Private Sale.

Emergency Services has an established replacement schedule for the LIFEPAK defibrillator/monitors and the schedule is to purchase three new units each year. Emergency Services is purchasing three new LIFEPAK 12s with the latest technology from State Contract and will no longer need the LIFEPAK 10 (purchased in 1993) and LIFEPAK 11 (purchased in 1996) for backup. Only two units are being surplused because one older LIFEPAK 11 will be used as a backup unit at the new Oxford Base along with one of the new LIFEPAK 12s. Emergency Services received an offer from Medtronic Physio-Control to purchase both units for \$6,000. Medtronic Physio-Control is the state contract vendor the new units will be purchased from. The Finance and Personnel Subcommittee recommended that the Board of Commissioners declare as surplus property one LIFEPAK 10 and one LIFEPAK 11 and authorize the Purchasing Agent to sell by private negotiation. Staff further requests the funds received from the sale of the LIFEPAK 10 and LIFEPAK 11 be appropriated towards the purchase of three new LIFEPAK 12s.

Appropriations:

110-260150-985000

Other Equipment - Capital                      \$6,000

Revenues:

110-190050-680700

Sale of Properties                                      \$6,000

**Resolution No. 2003-31  
Disposal of Surplus Property**

WHEREAS, the Catawba County Board of Commissioners hereby declares the following items as surplus property:

One each LIFEPAK 10 defibrillator/monitor  
One each LIFEPAK 11 defibrillator/monitor

WHEREAS, it is the intent of the County to sell said property under the private sale procedure authorized in General Statute 160A-267;

WHEREAS, the property shall be sold to the highest bidder;

WHEREAS, the Purchasing Agent has the authority to conduct the sale and to execute any necessary documents on behalf of Catawba County.

This the 4<sup>th</sup> day of August, 2003.

/s/ Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

- b. Ratify approval for use of the 1924 Courthouse Grounds for an ice cream social on August 1, 2003, as requested by the City of Newton Festival and Events Committee.

A public use application and authorization was received by the County Clerk's Office from the City of Newton Festival and Events Committee on July 10, 2003. Staff contacted the Board of Commissioners and four Commissioners responded and recommended approval. Staff recommended that the Board ratify staff action for approval of the request for use of the 1924 Courthouse Grounds for an Ice Cream Social on Friday, August 1, 2003, from 7:00 p.m. until 9:00 p.m.

- c. Request for use of 1924 Courthouse grounds for Soldiers Reunion.

A public use application and authorization was received by the County Clerk's Office from the Newton Merchants Association on July 8, 2003. Staff recommended that the Board of Commissioners approve a request from the Newton Merchants Association for use of the 1924 Courthouse and Grounds for the Annual Soldiers Reunion, from Saturday, August 16, 2003, until Friday, August 22, 2003, from 5:00 p.m. until 10:00 p.m.

- d. Resolution changing the location of the August 18, 2003, Board of Commissioners meeting from the 1924 Courthouse to the Government Center due to Soldiers Reunion.

**Resolution No. 2003-32  
Changing the location of the August 18, 2003 Board of Commissioners Meeting**

WHEREAS, on October 21, 2002, the Catawba County Board of Commissioners approved its meeting calendar for 2003; and

WHEREAS, on Monday, August 18, 2003, at 7:00 p.m. the Catawba County Board of Commissioners meeting is scheduled in the 1924 Courthouse, Robert E. Hibbitts Meeting Room; and

WHEREAS, the Newton Merchants Association has requested use of the 1924 Courthouse Grounds from Saturday, August 16, 2003, until Friday, August 22, 2003, from 5:00 p.m. until 10:00 p.m.; and

WHEREAS, on Monday, August 18, 2003, at 7:15 p.m. the Newton Merchants Association will host a gospel singing on the Grounds of the 1924 Courthouse.

NOW, THEREFORE, BE IT RESOLVED THAT THE CATAWBA COUNTY BOARD OF COMMISSIONERS has changed the location of its August 18, 2003, 7:00 p.m. meeting from the 1924 Courthouse, Robert E. Hibbitts Meeting Room to the Government Center, Second Floor Meeting Room, located at 100A South West Boulevard, Newton, NC.

This the 4<sup>th</sup> day of August, 2003.

/s/ Katherine W. Barnes, Chair

Catawba County Board of Commissioners

- e. Report on Social Services Fee Collection for FY 2002-2003.

The Department of Social Services collects various minimal fees from the public to help cover the costs associated with rendering certain services. The fees are regulated by NCGS 108. The Board of Social Services accepted this fees report at its regularly scheduled meeting on July 16, 2003, and recommended that the Commissioners accept the report.

In-Home CAP	\$ 9,359.44
HCCBG In-Home	\$ 450.00
NC Health Choice	\$14,684.39
Child Support	\$ 5,833.00
Adoption	\$ 4,812.50
Home Study	\$ 650.00
Trust Accounts	\$ 6,573.48
Total	<u>\$42,362.81</u>

- f. Amendment to Catawba County Code of Ordinances, Section 28-152.

Staff recommended that the Board of Commissioners adopt an ordinance correcting a typographical error in the Catawba County Code of Ordinances, Personnel Ordinance, Section 28-152. Annual leave, ( c) Procedures, item (9) A maximum of 240 hours of accrued annual leave for all employees will be paid upon separation from county service when the employee gives notice of separation at least ~~two~~ three weeks in advance of the separation date. The Catawba County Code of Ordinances was recodified and adopted April 7, 2003.

**Ordinance No. 2003-15**  
**Amending Catawba County Code of Ordinances**

BE IT ORDAINED that the Catawba County Code of Ordinances; Chapter 28, Personnel; Article V. Employee Benefits and Services; Sec. 28-152. Annual leave, is hereby amended to read as follows:

Sec. 28-152 Annual Leave.

( c) *Procedures.* Annual leave procedures are as follows:

- (9) A maximum of 240 hours of accrued annual leave for all employees will be paid upon separation from county service when the employee gives notice of separation at least ~~two~~ three weeks in advance of the separation date. Leave will be compensated by separate payment in the pay period following the employee's final regular paycheck.

This 4th day of August, 2003.

/s/ Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

- g. Abandonment of a portion of Cauble Dairy Road (SR 1142).

Pursuant to G.S. 136-63 the Board of Commissioners may on its own motion or on petition of a group of citizens, request the Board of Transportation to change or abandon any road in the secondary system when the best interest of the people of the County will be served. NCDOT requested a review and recommendation from the Catawba County Board of Commissioners relating to the abandonment of maintenance for a portion of Cauble Dairy Road (SR 1142). This request came to the NCDOT from both of the property owners abutting this portion of Cauble Dairy Road. This section of road does not provide access to any residences or properties. Staff reviewed the request and recommended that the Board of Commissioners adopt a Resolution Requesting the Closing of a Portion of Cauble Dairy Road for the last 1241-foot portion of Cauble Dairy Road (SR 1142).

**Resolution No. 2003-33**

**Requesting the Closing of a Portion of Cauble Dairy Road (SR1142)**

WHEREAS, Abel and Nancy Shuford petitioned the North Carolina Department of Transportation (NCDOT) to abandon a portion of secondary road "Cauble Dairy Road" (SR 1142) from the State maintenance system. The portion to be abandoned is specifically the last 1241 feet of Cauble Dairy Road; and

WHEREAS, NCDOT has submitted to the Catawba County Board of Commissioners a request for a review and recommendation for the road abandonment; and

WHEREAS, Staff has reviewed the request and has determined that no property owners would be deprived of ingress or regress;

NOW, THEREFORE BE IT RESOLVED THAT the Catawba County Board of Commissioners has reviewed this request and recommends to the North Carolina Board of Transportation for the abandonment of the last 1241-foot portion of Cauble Dairy Road (SR 1142).

This the 4th day of August, 2003.

/s/ Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

ATTEST:

/s/ Thelda B. Rhoney, County Clerk

Commissioner Barger made a motion to approve the aforementioned consent agenda items. The motion carried unanimously.

**End Consent Agenda**

10. Departmental Reports:

a. Emergency Services:

1. Fund Balance Request from Sherrills Ford - Terrell Fire and Rescue.

Emergency Services Director David Weldon said the Sherrills Ford-Terrell Fire and Rescue has been saving funds over the past years by holding the fund balance as a savings account to purchase two tracts of land for the construction of additional fire stations. The land was purchased and financed on December 26, 2002. Peoples Bank has recently agreed to 100 percent financing of the first building, to be constructed near the intersection of Slanting Bridge Road and Hwy 150, using both tracts of land as collateral if these tracts are lien free. Construction of the building should begin in 2004. In addition, the interest saved during the coming year should be approximately \$7,500. As of June 30, 2003, the Sherrills Ford-Terrell Fire & Rescue fund balance was \$232,115. In the past, the County has held 10 percent of the available balance in case of unforeseen emergencies. Therefore, \$150,000 should be available to Sherrills Ford-Terrell Fire & Rescue for this request, with over \$58,000 remaining in the available fund balance. The proposed location of the new fire station has been considered in depth and a consultant was used to determine the best locations for future stations. After reviewing with the NC Department of Insurance, the location of this additional base was strategically placed near the intersection of Hwy 150 and Slanting Bridge road. The land for this base has been purchased and an architectural firm has been retained and is working on the plans. Not only does this site satisfy the needs of the rating bureau to get the most credit for reducing the district rating in the future, but it will bring over 190 parcels of land (mostly in the Kiser Island area of Lake Norman) into a rated fire district. These parcels are presently outside of a five-mile response area from the present fire stations (class 10 – unrated). The addition of the new base will put these parcels into a five-mile response area, thus enabling the property owners in this effected area to enjoy a sizable reduction in their fire insurance premiums. This new base will also continue to improve response times to the outlying areas, particularly around Lake Norman, where a large number of incidents occur. Sherrills Ford-Terrell Fire & Rescue continues to serve its community not only with fire response but also with rescue/first responder medical response. The second tract of land was purchased primarily as a long-range site for an additional station in the Hopewell Church Road/Monbo Road area. Chief Bost predicts this second location will be many years down the road, possibly 10-15 years. The Finance and Personnel Subcommittee recommended that the

Board of Commissioners release \$150,000 of the Sherrills Ford-Terrell Fire & Rescue Fund Balance to pay off a loan for two tracts of land recently purchased for future building locations.

Transfer From:  
357-260010-690100  
Fund Balance Applied                      \$150,000

Transfer To:  
357-260010-849010  
Fire Protection                              \$150,000

Commissioner Beatty made a motion to release \$150,000 of the Sherrills Ford-Terrell Fire & Rescue Fund Balance to pay off a loan for two tracts of land recently purchased for future building locations. The motion carried unanimously.

b. Finance:

1. Hickory Middle School B Financing.

Chair Barnes said she attended the kick-off at Hickory Public Schools and they recognized the Board for going forward with the middle school. She also attended the Catawba County Schools kick off and they had favorable remarks for the Board's support of school issues.

Finance Director Rodney N. Miller requested that the Board accept the proposal of Bank of America in connection with an installment purchase financing of \$9.9 million for Hickory Middle School B. In addition, the Board is requested to adopt a resolution calling for a public hearing to be held on August 18, 2003 at 7:00 p.m. to receive public comment regarding this financing.

Since July 2000, Hickory City Schools has targeted as its top priority the construction of a new Middle School to replace Grandview Middle School, which is over 45 years old and experiencing significant mechanical and electrical problems. Plans for the new middle school are almost identical to the plans for Northview Middle School and call for a multi-story school appropriate for limited acreage. Both sites are approximately 22 acres and owned by the Hickory City School System. The Middle School B project was included in the 8-year school construction and improvement plan, as presented to the Citizens' Advisory Committee in early 2001. Northview Middle School, the most recent middle school built in Catawba County, was completed in 2001 for \$12.5 million. Since then, favorable changes to the building code and a competitive building climate have evolved, which should bode well for lower construction costs, but make an exact amount undeterminable at this time. Catawba County has historically financed school construction through General Obligation Bonds, which is normally the least expensive method to finance school construction in North Carolina. With rates at all-time lows, the County explored other methods to finance the Middle School B project, such as financing described under G.S. 160A-20. This type of financing pledges the asset acquired or constructed as collateral for the loan in case of default. There are two financing methods to consider under this legislation: Certificates of Participation (COP's) and Installment Purchase Financing. With both methods, since the County does not own the land upon which the Middle School will be built, the Hickory City Board of Education must convey the land to the County in order for the County to borrow the funds for the new school. The County will, in turn, lease the new school and land to the Board of Education for its use, and at the end of the financing term, transfer all rights to the property back to the school system.

Installment Purchase Financing is less expensive as long as the borrowed funds and any other debt financing that occurs in the same calendar year total less than \$10 million. For Catawba County, no other debt has been, or will be issued in this calendar year. To take advantage of lower financing costs and a more favorable interest rate, the County will borrow funds from a bank for \$9.9 million through an Installment Purchase Contract. Cost savings by choosing this method are estimated between \$500,000 - \$600,000 over fifteen years. All local governments in North Carolina that borrow funds greater than \$500,000 or longer than five years to maturity must receive approval by the Local Government Commission (LGC), a division of the NC Department of State Treasurer. The LGC will consider this project at their September 2, 2003, meeting in Raleigh.



The Board of Commissioners, at its July 7, 2003, meeting approved the construction of Hickory Middle School B in the southern part of the Hickory City School district, financed through an installment purchase contract.

Bid results: Bank of America - 3.54%; BB&T - 3.99%; First Citizens - No bid; RBC Centura - 3.59%; and Wachovia - 3.96%. Mr. Miller recommended the Board adopt the following resolution to accept the proposal of Bank of America on \$9.9 million with a rate of 3.54% and to adopt a resolution calling for a public hearing at the August 18, 2003, Board meeting in connection with an installment purchase financing for Hickory Middle School B.

Mr. Miller introduced the following resolution the title of which was read and copies of which had been distributed to each Commissioner:

**Resolution No. 2003-34**  
**Resolution Accepting the Proposal of Bank of America in Connection**  
**With an Installment Financing for Public School Facilities**

WHEREAS, the County of Catawba, North Carolina (the "County") intends to enter into an installment financing agreement pursuant to G.S. §160A-20 of the General Statutes of North Carolina for the purpose of paying a portion of the cost of construction and equipping of a public middle school for the Hickory City School District; and

WHEREAS, the County has solicited proposals from banks to provide the financing for such public school facilities; and

WHEREAS, upon careful review and consideration of the proposals submitted by banks to provide such financing, the County desires to accept the proposal of Bank of America;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Catawba, North Carolina (the "Board") as follows:

1. The proposal of Bank of America to provide financing through an installment financing agreement in the principal amount not to exceed \$9,900,000 for the purpose of providing funds to pay a portion of the cost of the construction and equipping of a public middle school is hereby accepted, subject to further approval of the particular documentation related thereto by the Board.
2. The County Manager and the Finance Director of the County are hereby authorized and directed to execute and deliver such documentation as may be necessary to accept the proposal of Bank of America.
3. This resolution shall take effect immediately upon its passage.

This 4th day of August, 2003.

Upon motion of Commissioner Barger, the foregoing resolution was adopted by the following vote:

Ayes: Barnes, Hunsucker, Barger, Beatty, and Lail

Noes: N/A

Thereupon, Mr. Miller introduced the following resolution, the title of which was read and copies of which had been distributed to each Commissioner:

**Resolution No. 2003-35**  
**Resolution Calling a Public Hearing in Connection with an**  
**Installment Financing for the Construction and Equipping of Public School**  
**Facilities**

WHEREAS, the County of Catawba, North Carolina (the "County") is considering entering into an installment financing agreement pursuant G.S. 160A-20 in the principal amount not to exceed \$9,900,000 for the purpose of providing funds, together with other available funds, to construct and equip a public middle school for the Hickory City School District; and

WHEREAS, the County will acquire the site of the middle school from the Hickory City Board of Education to be used by the County for public school purposes, and the County will lease back the site of the middle school to the Hickory City Board of Education;

WHEREAS, in accordance with 160A-20 (g) of the General Statutes of North Carolina, the County is required to hold a public hearing on such installment financing agreement;

WHEREAS, in accordance with 153A-158.2 of the General Statutes of North Carolina the County is required to hold a public hearing relating to the proposed acquisition of such property;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners for the County hereby fixes 7:00 p.m. on August 18, 2003, at the Government Center, Second Floor Conference Room, 100 A South West Boulevard, Newton, North Carolina, as the hour, day and place for the public hearing on such installment financing contract and hereby directs the Clerk to the Board to publish notice of such public hearing once in *The Hickory Daily Record* and *The Observer-News-Enterprise* not later than the 10th day before said date.

This 4th day of August, 2003.

Upon motion of Commissioner Hunsucker, the foregoing resolution was adopted by the following vote:

Ayes: Barnes, Hunsucker, Barger, Beatty, and Lail

Noes: N/A

c. Public Health:

1. Report on Shigellosis Outbreak in Catawba County.

Assistant Health Director Kelly C. Isenhour updated the Board on the recent Shigellosis outbreak in several day care centers across Catawba County. The first confirmed case of the disease was reported during the week of July 21 and a total of 14 cases have been reported since that week. Public Health staff is working with all day care centers, nursing homes, etc. to educate them, and the public, about the disease in an effort to stop it from spreading further.

Ms. Isenhour also said a dead bird found in Catawba County had tested positive for West Nile Virus.

d. Utilities and Engineering:

1. Piggyback Exception to Purchase a Volvo 726B all wheel drive motor grader.

Utilities and Engineering Director Barry B. Edwards said an all wheel drive motor grader is needed at the landfill to replace the existing 1991 John Deere 570B with 6,600 hours. The new motor grader will be used to maintain and build landfill access roads, build water diversion berms, finish grade landfill side slopes, and maintain drainage ditches. An all wheel drive motor grader is needed to keep landfill entry roads open for customers. It will be employed in the daily cover operations providing access to the soil borrowed areas during rainy periods. The landfill has increased in size over the years and the access roads to the dumping areas and soil borrow areas have increased. The new all wheel drive motor grader will give us the ability to maintain these roads daily, even during rainy periods. Staff will request the Board to declare the 1991 John Deere 570B as surplus and authorize the sale at a later date. State law allows local governments to purchase without a separate bidding procedure from any contractor that, within the past 12 months, was contacted to furnish the

item to (1) federal government or any federal agency; (2) the State of North Carolina or any agency or political subdivision of that state, or (3) any other state or agency or political subdivision of that state, if the contractor is willing to extend the same or more favorable price and other terms to the local government. The Board must award the contract at a regularly scheduled meeting and notice of the intent to award the contract without bidding must be published no less than 10 days prior to the meeting at which the contract is awarded. On August 29, 2002, the Commonwealth of Virginia competitively bid seven all wheel drive motor graders. The bid was awarded to L.B. Smith, Inc., Glen Allen, Virginia and a purchase order was issued on October 8, 2002. L.B. Smith, Inc. has agreed to the same pricing and terms as was given to the Commonwealth of Virginia. The cost for a Volvo 726B is \$123,489. The landfill budgeted \$140,000 for this item in account #525-350200-985000. The \$123,489 includes a 24-month complete unit warranty and an additional 36 months warranty for the drive train, including the engine, transmission and final drives. The landfill also budgeted an additional \$8,000 for a warranty on this purchase and these funds will not be needed if the piggyback exception is approved.

The Finance and Personnel Subcommittee recommended that the Board of Commissioners award the contract to L.B. Smith, Inc. in the amount of \$123,489 under the piggyback exception authorized in General Statute 143-192(g) for the purposes of purchasing a Volvo 726B All Wheel Drive Motor grader.

Commissioner Hunsucker made a motion to award a contract to L.B. Smith, Inc., in the amount of \$123,489 under the piggyback exception authorized in General Statute 143-192(g) for the purposes of purchasing a Volvo 726B All Wheel Drive Motor grader. The motion carried unanimously.

2. Memorandum of Understanding between City of Claremont and Catawba County.

Utilities and Engineering Director Barry B. Edwards said staff recommended the Board approve a Memorandum of Understanding between Catawba County and the City of Claremont to provide inspection services within the municipal boundaries. Since Claremont does not have the facilities to enforce the North Carolina Building Code as adopted by the Building Code Council, the Commissioner of Insurance, and the Catawba County Board of Commissioners, the City has requested that the County provide this service. The County has been providing inspection services for the City of Claremont since November 5, 1979. In the merger process with the City of Hickory to provide inspection services, it was determined that neither the City of Claremont nor the County possessed a signed agreement for providing building inspection services in the City of Claremont. North Carolina State law requires such an agreement. The Memorandum of Understanding continues indefinitely unless one party gives the other written notice of its intent to terminate the agreement in writing at least 90 days prior to June 30th in a calendar year. The County will provide building code administration including reviewing plans, issuing permits and making all necessary inspections according to North Carolina State laws and regulations. Other services such as zoning and city ordinances will be enforced by the City. The County will issue permits and collect all building, electrical, plumbing, heating and other applicable fees related to inspections. The County will retain all fees collected.

The Policy and Public Works Subcommittee recommended that the Board of Commissioners approve a Memorandum of Understanding for inspection services with the City of Claremont.

STATE OF NORTH CAROLINA  
COUNTY OF CATAWBA

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, made this \_\_\_\_ day of \_\_\_\_\_, 2003, between Catawba County, a political subdivision of the State of North Carolina and body politic, hereinafter "County", and the City of Claremont, a municipal corporation located in said county and state, hereinafter called "City".

W I T N E S S E T H:

WHEREAS, County enforces the North Carolina Building Code in accordance with the provisions adopted by the Building Code Council and the Commissioner of Insurance, and City does not have the facilities for enforcing it; and

WHEREAS, City has requested County to extend its building inspection program to include the City, and County has agreed to provide such services to City; and

WHEREAS, County and City, in order to set out the provisions and conditions under which said services will be provided to the City by County, have entered into an interlocal agreement as authorized by Chapter 160A, Article 20, Part I of the General Statutes of North Carolina.

NOW, THEREFORE, County and City agree that:

1. Purpose. The purpose of this Agreement is to set forth in writing the terms and conditions upon which County will furnish to City building code administration and enforcement within City's jurisdiction.
2. Term. This Agreement shall continue indefinitely until one party gives the other written notice of its intention to terminate the agreement at least ninety (90) days prior to June 30<sup>th</sup> in a calendar year.
3. Services to be Provided. County will provide building code administration which includes reviewing plans, issuing permits and making all necessary inspections in accordance with applicable North Carolina State laws and regulations. Any other services including, but not limited to, zoning enforcement and City ordinances shall be enforced by City.
4. Compensation. County will issue permits and collect all building, electrical, plumbing, heating and other applicable fees related thereto. All fees collected will be retained by County and will constitute the entire compensation for services rendered.
5. Amendments. Any amendment to the Agreement shall be in writing and executed by County and City.

IN TESTIMONY WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed, and their corporate seals to be affixed by their duly authorized corporate officers, in duplicate originals, one of which is retained by each part, the day and year first above written.

CATAWBA COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Katherine W. Barnes, Chair

ATTESTED:

\_\_\_\_\_  
Thelda B. Rhoney, Clerk

CITY OF CLARMONT

By: \_\_\_\_\_  
Glenn A. Morrison, Mayor/Manager

ATTESTED:

\_\_\_\_\_  
Rose H. Bish, City Clerk

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act, Provision for the payment of money to fall due under this Agreement within the current fiscal year has been made by an appropriation duly authorized.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director of Budget, City of Claremont

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rodney N. Miller, Finance Director  
Catawba County

APPROVED AS TO FORM:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Debra Bechtel, Attorney  
Catawba County

Commissioner Barger made a motion to approve the aforementioned Memorandum of Understanding for inspection services with the City of Claremont. The motion carried unanimously.

3. Mr. Edwards introduced Armin J. Wallner, Building Services Chief.

Mr. Wallner said Building Services Staff was working hard. He thanked the Board for its support.

11. Attorneys' Report. None.

12. Manager's Report.

- a. Cancellation of Request for Issuance of Industrial Revenue Bonds for Prestige Pillow Project.

Mr. Lundy reported that Prestige Pillow Corporation pursued Industrial Revenue Bond (IRB) financing for the purchase of land, equipment and the construction of a new manufacturing facility in Conover. The Financing Authority authorized IRB financing on April 15, 2003, and a Memorandum of Agreement was executed on behalf of Prestige Pillow. The Board of Commissioners held a public hearing at its June 2, 2003, meeting to approve the issuance of IRBs for an amount not to exceed \$3,000,000 to finance the project. Prestige Pillow notified the Financing Authority that it would be unable to meet the manufacturing wage test as required under IRB statute. The Authority held a meeting on June 16, 2003, to reapprove this project and to recommend to the Board of Commissioners that a wage waiver be granted. The wage waiver was requested because of "especially severe unemployment" in Catawba County and the N.C. Department of Commerce determined that the County qualified for the wage waiver. The Board of Commissioners approved this request at its June 16, 2003 meeting.

While still going forward with the project, Mr. Gurney Davis officially notified the Financing Authority that he had decided to finance his expansion with a 10-year, fixed rate loan and asked that the IRB process be stopped. The N.C. Department of Commerce and Helms, Mulliss & Wicker, bond counsel for this project, was notified of this change and Prestige will be responsible for legal fees to date.

13. Other items of business:

- a. Closed Session.

Mr. Lundy requested a Closed Session pursuant to NCGS 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body; and (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body. Mr. Lundy said he did not anticipate any action after Closed Session.

At 10:40 a.m., Commissioner Hunsucker made a motion to recess into Closed Session pursuant to NCGS 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body; and (4) To discuss

matters relating to the location or expansion of industries or other businesses in the area served by the public body. The motion carried unanimously.

At 12:22 p.m., Commissioner Hunsucker made a motion to return to regular session. The motion carried unanimously.

14. Adjournment.

At 12:22 p.m. there being no further business to come before the Board, Chair Barnes made a motion to adjourn. The motion carried unanimously.

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Katherine W. Barnes  
Chair, Board of Commissioners

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Thelda B. Rhoney  
County Clerk